

State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

CC: Tom Susan

Jon M. Huntsman, Jr. Governor Kevin S. Carter Director 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax) http://www.trustlands.com Tom, what should we do about this? Please discuss w/me, Joshio Sisan

October 30, 2006

Howard T. Truman P.O. Box 443 Enterprise, UT 84725

CERTIFIED MAIL #7160 3901 9842 1746 857

RE: ML 45730-BSLS

Dear Mr. Truman:

On October 27, 2006 the Director cancelled the above numbered mineral lease for non-payment. You no longer have any right to mine or remove the leased substances from the leased lands. The leased lands contain the Courgraph rock quarry (DOGM #S/001/018) located in T30S, R14W, S36, SW4, the consisting of a steep cut in the hillside, a 1.5 acre level work pad, and a graveled access road. The Trust Lands Administration also owns the surface of said section 36.

It is the position of the Trust Lands Administration that the quarry site should be reclaimed only to the extent necessary to eliminate imminent safety hazards and to implement erosion controls. The mining face, work pad and access road should not be reclaimed, but should remain open to future mining activity should the property come under mineral lease to another party. Please work cooperatively with the Division of Oil, Gas & Mining in performing limited reclamation toward this end.

The Trust Lands Administration continues to hold your time CD#319440 in the amount of \$5,000.00 pending the resolution of reclamation and lease payment issues. Please contact me if you have any questions in this matter.

Sincerely,

John T. Blake

Trust Land Specialist

CC: Tom Munson